



THE SECRETARY OF VETERANS AFFAIRS  
WASHINGTON

August 30, 2007

The Honorable Henry A. Waxman  
U.S. House of Representatives  
Washington, DC 20515

Dear Congressman Waxman:

Thank you for your letter regarding the Department of Veterans Affairs (VA) Capital Asset Realignment for Enhanced Services (CARES) business plan study and reuse plans for the campus of the VA Medical Center at West Los Angeles (WLA), California.

I will consider the six guiding principles recommended by the Local Advisory Panel (LAP) including maintaining current agreements and complying with the National Historic Preservation Act. You can be assured that any renovation or demolition of existing buildings on this campus will follow the requirements of the National Historic Preservation Act. The current enhanced sharing agreements are consistent with the CARES land use planning process as they are not leases or leasehold interests with disposal provisions. VA retains ownership and site control over these agreements and, at the conclusion of their contract term, the property and all improvements revert to VA. The agreements can also be canceled after specified notice periods. Since 2000, sharing agreements at the WLA campus have generated approximately \$15 million in alternative revenue (\$5 million for fiscal year 2006). These agreements are an effective way to supplement public funds to meet the ongoing needs of veterans other than our agreement with the Veterans Park Conservancy. VA will not consider entering into any enhanced sharing agreements for new uses until the completion of the CARES study process.

Regarding the first guiding principle, the principle as passed by the LAP stated: "The VA will strictly adhere to Section 421(b)(2) of the Veterans' Benefits and Services Act of 1988 (PL 100-322), commonly referred to as the Cranston Act, and Section 401 of the Veterans' Benefits Programs Improvement Act of 1991 (PL 102-86)."

I support using vacant buildings on the campus to meet the needs of our homeless veteran population as evidenced by my recent decision to set aside three buildings for use in support of homeless veterans programs. Several proposals have been submitted to me that I believe deserve full consideration. As part of a Master Plan for the campus, I have also set aside land for a State Veterans Nursing Home and all capital options include land for a new National Cemetery Administration columbarium, a Veterans Benefits Administration Regional Office and a Veterans Park agreement with the Veterans Park Conservancy.

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The third public meeting of the Local Advisory Panel (LAP) will be held on September 6 from 5 p.m. to 9 p.m. at the Wadsworth Theatre on the WLA VA campus. Veterans, stakeholders, and other members of the community will have an opportunity to make recommendations to VA regarding which modernization option should be selected. The selection of a modernization option will be a significant step towards developing a Master Plan for the campus.

You note the number of returning veterans from Operations Iraqi Freedom and Enduring Freedom continues to grow. However, what is not recognized is the number of veterans from the World War II and Korean War eras is diminishing at much higher rates in comparison to the growth rate of our newest generation of veterans. The projected demand for inpatient hospital care will continue to decrease, including at the WLA campus.

In light of a Government Accountability Office study identifying the tremendous amount of vacant VA land and buildings costing millions of dollars in maintenance expenses, I must consider how to utilize these resources to maximize benefits to veterans. However, at this time VA has not developed any specific reuse proposals.

The primary focus of the CARES business plan study is the modernization of the WLA campus. The health care considerations are the major drivers of the modernization options and of a campus Master Plan as VA prepares to meet the future needs of veterans in modern health care facilities.

VA remains committed to maximizing the improvement of care to veterans as it manages this process. We welcome the input of all stakeholders before any final decision is made about the WLA campus. A similar letter is being sent to the other co-signers of your letter.

Sincerely yours,

A handwritten signature in black ink, appearing to read "R. James Nicholson", written in a cursive style.

R. James Nicholson